



EB-2010-0078

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15 (Schedule B);

AND IN THE MATTER OF an application by Enersource Mississauga Inc. for an order or orders approving or fixing just and reasonable distribution rates and other charges, to be effective May 1, 2011.

BEFORE: Karen Taylor
Presiding Member

Paul Sommerville
Member

DECISION AND ORDER

Introduction

Enersource Mississauga Inc. (“Enersource”), a licensed distributor of electricity, filed an application with the Ontario Energy Board (the “Board”) on October 15, 2010 under section 78 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Schedule B), seeking approval for changes to the rates that Enersource charges for electricity distribution, to be effective May 1, 2011.

Enersource is one of 80 electricity distributors in Ontario regulated by the Board. In 2008, the Board announced the establishment of a new multi-year electricity distribution rate-setting plan, the 3rd Generation Incentive Rate Mechanism (“IRM”) process, which would be used to adjust electricity distribution rates starting in 2009 for those distributors whose 2008 rates were rebased through a cost of service review. As part of the plan, Enersource is one of the electricity distributors that will have its rates adjusted

for 2011 on the basis of the IRM process, which provides for a mechanistic and formulaic adjustment to distribution rates and charges between cost of service applications.

To streamline the process for the approval of distribution rates and charges for distributors, the Board issued its *Report of the Board on 3rd Generation Incentive Regulation for Ontario's Electricity Distributors* on July 14, 2008, its *Supplemental Report of the Board on 3rd Generation Incentive Regulation for Ontario's Electricity Distributors* on September 17, 2008, and its *Addendum to the Supplemental Report of the Board on 3rd Generation Incentive Regulation for Ontario's Electricity Distributors* on January 28, 2009 (together the "Reports"). Among other things, the Reports contained the relevant guidelines for 2011 rate adjustments for distributors applying for distribution rate adjustments pursuant to the IRM process. On July 9, 2010 the Board issued an update to Chapter 3 of the Board's *Filing Requirements for Transmission and Distribution Applications* (the "Filing Requirements"), which outlines the Filing Requirements for IRM applications based on the policies in the Reports.

Notice of Enersource's rate application was given through newspaper publication in Enersource's service area advising interested parties where the rate application could be viewed and advising how they could intervene in the proceeding or comment on the application. No letters of comment were received. The Vulnerable Energy Consumers Coalition ("VECC") applied and was granted intervenor status in this proceeding. The Board granted VECC eligibility for cost awards in regards to Enersource's request for a lost revenue adjustment mechanism ("LRAM") recovery. Board staff also participated in the proceeding. The Board proceeded by way of a written hearing.

While the Board has considered the entire record in this proceeding, it has made reference only to such evidence as is necessary to provide context to its findings. The following issues are addressed in this Decision and Order:

- Price Cap Index Adjustment;
- Changes in the Federal and Provincial Income Tax Rates;
- Smart Meter Funding Adder;
- Retail Transmission Service Rates;
- Review and Disposition of Group 1 Deferral and Variance Accounts;
- Review and Disposition of Lost Revenue Adjustment Mechanism; and
- Late Payment Penalty Litigation Costs.

Price Cap Index Adjustment

Enersource's rate application was filed on the basis of the Filing Requirements. In fixing new distribution rates and charges for Enersource, the Board has applied the policies described in the Filing Requirements and the Reports.

As outlined in the Reports, distribution rates under the 3rd Generation IRM are to be adjusted by a price escalator less a productivity factor (X-factor) of 0.72% and Enersource's utility specific stretch factor of 0.4%. Based on the final 2010 data published by Statistics Canada, the Board has established the price escalator to be 1.3%. The resulting price cap index adjustment is therefore 0.18%. The rate model reflects this price cap index adjustment. The price cap index adjustment applies to distribution rates (fixed and variable charges) uniformly across all customer classes.

The price cap index adjustment will not apply to the following components of delivery rates:

- Rate Riders;
- Rate Adders;
- Low Voltage Service Charges;
- Retail Transmission Service Rates;
- Wholesale Market Service Rate;
- Rural Rate Protection Charge;
- Standard Supply service – Administrative Charge;
- Transformation and Primary Metering Allowances;
- Loss Factors;
- Specific Service Charges;
- MicroFIT Service Charges; and
- Retail Service Charges.

Changes in the Federal and Provincial Income Tax Rates

In its *Supplemental Report of the Board on 3rd Generation Incentive Regulation for Ontario's Electricity Distributors* dated September 17, 2008, the Board determined that a 50/50 sharing of the impact of currently known legislated changes, as applied to the tax level reflected in the Board-approved base rates for a distributor, is appropriate for the 3rd Generation IRM applications. This was based on a decision of the Board in a

proceeding in relation to natural gas distributors' (EB-2007-0606/615) incentive regulation applications in which tax as a Z-factor was being considered. In this decision, the Board found that a 50/50 sharing is appropriate because it recognizes that tax changes already flow to some extent through the inflation factor, though the precise timing and quantum of the tax reduction during a current IRM period is not known.

The calculated annual tax reduction over the plan term will be allocated to customer rate classes on the basis of the Board-approved base-year distribution revenue. These amounts will be refunded to customers each year of the plan term, over a 12-month period, through a volumetric rate rider derived using annualized consumption by customer class underlying the Board-approved base rates.

In 2011, the maximum income tax rate is 28.25%, the minimum rate for those distributors eligible for both the federal and Ontario small business deduction is 15.50%, and the blended tax rate varies for certain distributors that are only eligible for the Ontario small business deduction. The model provided to distributors calculates the amount of change caused by the tax rate reductions and adjusts distribution rates by 50% of the total change from those taxes included in the most recent cost of service base distribution rates.

The Board finds that a 50/50 sharing of the impact of changes from the tax level reflected in the Board-approved base rates to the currently known legislated tax level for 2011 is appropriate and shall be effected by means of a rate rider over a one-year period.

Smart Meter Funding Adder

On October 22, 2008 the Board issued the *Guideline for Smart Meter Funding and Cost Recovery* which sets out the Board's filing requirements in relation to the funding and recovery of costs associated with smart meter activities conducted by electricity distributors.

Enersource requested to change its utility-specific smart meter funding adder ("SMFA") from \$2.17 to \$2.12 per metered customer per month.

VECC submitted that Enersource's SMFA should be allocated on a rate class basis using capital cost as the cost driver to allocate the 2011 smart meter related revenue

requirement (similar to the approach used in proceeding EB-2010-0209 for Powerstream).

In its reply submission, Enersource submitted that its proposed approach is consistent with the Board's template and methodology for calculating the SMFA.

The Board notes that an allocation of the SMFA by rate class is not required based on the Board's Guideline 2008-0002, dated October 22, 2008, and that the Board indicated in its EB-2010-0209 Decision on PowerStream Inc.'s 2010 smart meter prudence review application that the allocation of class-specific costs would not be a requirement. Therefore, the Board will not require the applicant to provide this information.

The Board also notes that the SMFA is a tool designed to provide advance funding and to mitigate the anticipated rate impact of smart meter costs when recovery of those costs is approved by the Board (G-2008-0002). The Board also observes that the SMFA was not intended to be compensatory (return on and of capital) on a cumulative basis over the term the SMFA was in effect. The SMFA was initially designed to fund future investment, not fully fund prior capital investment. Such treatment increases the risk, absent a prudence review, of over recovery. The Board is not saying that prudently incurred costs are not recoverable; it is stating that a determination of full recovery will be made as part of an application for a prudence review. Since the deployment of smart meters on a province-wide basis is now nearing completion, and for the reasons noted earlier, the Board expects distributors to file for a final prudence review at the earliest possible opportunity following the availability of audited costs. For those distributors that are scheduled to file a cost-of-service application for 2012 distribution rates, the Board expects that they will apply for the disposition of smart meter costs and subsequent inclusion in rate base. For those distributors that are scheduled to remain on IRM, the Board expects these distributors to file an application with the Board seeking final approval for smart meter related costs. In the interim, the Board will approve Enersource's SMFA of \$2.12 per metered customer per month from May 1, 2011 to April 30, 2012. The SMFA will be reflected in the Tariff of Rates and Charges, and will cease on April 30, 2012. Enersource's variance accounts for smart meter program implementation costs, previously authorized by the Board, shall be continued.

The Board has not made any finding on the prudence of the proposed smart meter activities, including any costs for smart meters or advanced metering infrastructure whose functionality exceeds the minimum functionality adopted in O. Reg. 425/06, or

costs associated with functions for which the Smart Metering Entity has the exclusive authority to carry out pursuant to O. Reg. 393/07. Such costs will be considered at the time that Enersource applies for the recovery of these costs on a final basis, if applicable.

Retail Transmission Service Rates

Electricity distributors are charged the Ontario Uniform Transmission Rates (“UTRs”) at the wholesale level and subsequently pass these charges on to their distribution customers through the Retail Transmission Service Rates (“RTSRs”). Variance accounts are used to capture timing differences and differences in the rate that a distributor pays for wholesale transmission service compared to the retail rate that the distributor is authorized to charge when billing its customers (i.e., variance accounts 1584 and 1586).

On July 8, 2010 the Board issued revision 2.0 of the *Guideline G-2008-0001 - Electricity Distribution Retail Transmission Service Rates* (the “RTSR Guideline”). The RTSR Guideline outlines the information that the Board requires electricity distributors to file to adjust their RTSRs for 2011. The RTSR Guideline requires electricity distributors to adjust their RTSRs based on a comparison of historical transmission costs adjusted for the new UTR levels and the revenues generated under existing RTSRs. The objective of resetting the rates is to minimize the prospective balances in accounts 1584 and 1586. In order to assist electricity distributors in the calculation of the distributors’ specific RTSRs, Board staff provided a filing module. On January 18, 2011 the Board issued its Rate Order for Hydro One Transmission (EB-2010-0002) which adjusted the UTRs effective January 1, 2011. The new UTRs are shown in the following table:

Table 1 - Uniform Transmission Rates	kW Monthly Rates		Change
	Jan 1, 2010	Jan 1, 2011	
Network Service Rate	\$2.97	\$3.22	+8.4%
<u>Connection Service Rates</u>			
Line Connection Service Rate	\$0.73	\$0.79	
Transformation Connection Service Rate	\$1.71	\$1.77	
			+4.9%

The Board has adjusted each distributor’s rate application model to incorporate these changes.

Based on the filing module provided by Board staff and the new UTRs effective January 1, 2011 noted in the table above, the Board approves the changes to the RTSRs calculated in the filing module.

Review and Disposition of Group 1 Deferral and Variance Accounts

The *Report of the Board on Electricity Distributors' Deferral and Variance Account Review Report* (the "EDDVAR Report") provides that, during the IRM plan term, the distributor's Group 1 account balances will be reviewed and disposed if the preset disposition threshold of \$0.001 per kWh (debit or credit) is exceeded. The onus is on the distributor to justify why any account balance in excess of the threshold should not be disposed.

Enersource originally requested that the Board review and approve the disposition of the December 31, 2009 balances of Group 1 Deferral and Variance accounts, including interest as of April 30, 2011. The total balance of the Group 1 accounts is a credit of \$8,490,016 (credit balances are amounts refundable to customers). This amount results in a total claim per kWh of \$(0.00113).

Enersource proposed to dispose of its Group 1 account balances over a one-year period.

On January 13, 2011, Enersource filed a letter with the Board requesting approval to withdraw its request for Group 1 deferral and variance account disposition. Enersource noted that subsequent to the filing of its Application, a comprehensive review of Enersource's Group 1 deferral and variance accounts was commenced to ensure that their treatment is in accordance with the provisions of the Board's Accounting Procedures Handbook. Enersource stated that as a result of this review, there could be changes to the Group 1 account balances and therefore disposition of these balances would not be prudent at this time.

Enersource stated that it will file a separate application, based on the completed review of its Group 1 account balances within the next three to six months. This application would seek to dispose of Group 1 deferral and variance account balances as of December 31, 2010 based on audited financial statements.

Board staff noted that the review being undertaken by Enersource is important to ensure the correctness of the Group 1 account balances. Therefore, Board staff submitted that the Board should grant Enersource's request to withdraw this element of its Application at this time. Board staff supported Enersource's proposal to deal with this issue in a separate application within the next three to six months, based on audited December 31, 2010 balances.

The Board will grant Enersource's request to withdraw its request to dispose of its Group 1 account balances from this rate application. The Board however directs Enersource to make an application for the review and disposition of its Group 1 account balances no later than its 2012 rate application.

Review and Disposition of Lost Revenue Adjustment Mechanism

Enersource is seeking approval to recover an LRAM claim totalling \$699,236, over a period of 8 months (May 1, 2011 – December 31, 2011).

The Board's Guidelines for Electricity Distributor Conservation and Demand Management (the "CDM Guidelines") issued on March 28, 2008 outline the information that is required when filing an application for LRAM or SSM.

The Board's Decision on LRAM in the Horizon application (EB-2009-0192) stated that distributors are to use the most current input assumptions which have been adopted by the Board when preparing their LRAM applications as these assumptions represent the best estimate of the impacts of the programs.

Board staff submitted that Enersource has complied with the Board's CDM Guidelines in preparing the LRAM portion of its Application.

VECC submitted that it does not support the LRAM claim as filed with respect to Enersource's third-tranche funded CDM. VECC noted that for all third-tranche programs the Board's Guidelines and the Horizon Decision (EB-2009-0158) stipulate that the best available input assumptions at the time of the third party review should be used. VECC submitted that Enersource's 2006 Every Kilowatt Counts ("EKC") program is a third-tranche program and therefore, the LRAM claim related to this program should be calculated on the basis of best available information at the time of the third-party review (as opposed to the OPA 2009 results which were used for the calculation in this

application). VECC submitted that Enersource should be required to make the appropriate amendments and re-file its LRAM claim and rate riders for its residential Third Tranche programs.

In its reply submission, Enersource noted that it used the results from the OPA's report to Enersource, issued on August 13, 2010, and further confirmed in an email of September 29, 2010, to determine the results and consequential lost distribution volumes from the 2006 Every Kilowatt Counts program. Enersource noted in the CDM Guidelines that "the Board would consider an evaluation by the OPA or a third party designated by the OPA to be sufficient."

Enersource noted that the Board stated in the Horizon Decision that "utilities should always use the most current input assumptions which have been adopted by the Board when preparing their applications because these assumptions represent the best estimate of the impact of the programs". Enersource noted that in both the current Application and in its prior year's application (EB-2009-0400), Enersource took the Board's Horizon Decision into consideration and utilized the most current information

Enersource submitted that its determination of the LRAM claim is fully consistent with the manner in which it calculated its claim in its prior year's application. In the Board's EB-2009-0400 Decision, the Board found that Enersource had filed its application consistent with the Board's CDM Guidelines and had used the most appropriate input assumptions when calculating its LRAM amount. Enersource submitted that its LRAM claim should be approved as originally filed.

The Board continues to endorse the principle of LRAM, which is that distributors are to be kept whole for revenue that they have forgone as a direct consequence of implementing CDM programs.

The Board is of the view that the most current OPA Measures and Assumptions List, as updated by the OPA from time to time, represents the best estimate of losses associated with a distributor's CDM programs. The Board finds that Enersource's calculation of the LRAM Claim related to its 2006 EKC program is appropriate. The Board notes that the use of OPA-verified results in the calculation of the lost revenue related to third-tranche CDM programs is appropriate.

The Board will approve the LRAM claim of \$699,236. The Board notes that Enersource has requested the recovery of its LRAM claim over a period of 8-months and calculated the LRAM rate riders using a volumetric forecast for the May 1 to December 31, 2011 period. Since the Board has not at present approved a re-alignment of Enersource's rate year with its fiscal year, the Board finds that this proposal is premature. The Board will therefore approve the recovery of the LRAM claim over a 12 month period. With respect to the volumes that should be used to calculate the rate riders, the Board directs Enersource to use the 2009 RRR data, which is consistent with the intent of the EDDVAR Report.

Late Payment Penalty Litigation Costs

In this application, Enersource requested the recovery of a one time expense of \$1,006,253 related to the late payment penalty ("LPP") costs and damages resulting from a court settlement that addressed litigation against many of the former municipal electricity utilities in Ontario.

On October 29, 2010 the Board commenced a generic proceeding on its own motion to determine whether Affected Electricity Distributors¹, including Enersource, should be allowed to recover from their ratepayers the costs and damages incurred as a result of the Minutes of Settlement approved on April 21, 2010 by the Honourable Mr. Justice Cumming of the Ontario Superior Court of Justice (Court File No. 94-CQ-r0878) and as amended by addenda dated July 7, 2010 and July 8, 2010 in the late payment penalty class action and if so, the form and timing of such recovery. This proceeding was assigned file No. EB-2010-0295.

On February 22, 2011, the Board issued its Decision and Order and determined that it is appropriate for the Affected Electricity Distributors to be eligible to recover the costs and damages associated with the LPP class action in rates. The decision set out a listing of each Affected Electricity Distributor and their share of the class action costs that is approved for recovery. The Board also directed Affected Electricity Distributors such as Enersource to file with the Board detailed calculations including supporting documentation, outlining the derivation of the rate riders based on the methodology outlined in the EB-2010-0295 Decision and Order. The Board noted that the rate riders submitted would be verified in each Affected Electricity Distributor's IRM or cost of service application, as applicable. Enersource elected to recover the amount approved

¹ As defined in the Board's Decision and Order EB-2010-0295

in the EB-2010-0295 proceeding and accordingly filed the associated rate riders.

The Board has reviewed Enersource's proposed rate riders and approves them as filed.

Rate Model

With this Decision, the Board is providing Enersource with a rate model (spreadsheet) and applicable supporting models and a draft Tariff of Rates and Charges (Appendix A) that reflects the elements of this Decision. The Board also reviewed the entries in the rate model to ensure that they were in accordance with the 2010 Board approved Tariff of Rates and Charges and the rate model was adjusted, where applicable, to correct any discrepancies.

THE BOARD ORDERS THAT:

1. Enersource's new distribution rates shall be effective May 1, 2011.
2. Enersource shall review the draft Tariff of Rates and Charges set out in Appendix A. Enersource shall file with the Board a written confirmation assessing the completeness and accuracy of the draft Tariff of Rates and Charges, or provide a detailed explanation of any inaccuracies or missing information, within seven (7) calendar days of the date of this Decision and Order.
3. If the Board does not receive a submission from Enersource to the effect that inaccuracies were found or information was missing pursuant to item 2 of this Decision and Order, the draft Tariff of Rates and Charges set out in Appendix A of this order will become final effective May 1, 2011, and will apply to electricity consumed or estimated to have been consumed on and after May 1, 2011. Enersource shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.
4. If the Board receives a submission from Enersource to the effect that inaccuracies were found or information was missing pursuant to item 2 of this Decision and Order, the Board will consider the submission of Enersource and will issue a final Tariff of Rates and Charges.

5. Enersource shall pay the Board's costs incidental to this proceeding upon receipt of the Board's invoice.

Cost Awards

The Board will issue a separate decision on cost awards once the following steps are completed:

1. Intervenors eligible for cost awards shall submit their cost claims by no later than 14 days from the date of this Decision and Order.
2. Enersource shall file its response, if any, by no later than 28 days from the date of this Decision and Order.
3. Intervenors shall file their reply to Enersource's response by no later than 35 days from the date of this Decision and Order.

All filings to the Board must quote file number **EB-2010-0078**, be made through the Board's web portal at, www.errr.ontarioenergyboard.ca and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at www.ontarioenergyboard.ca. If the web portal is not available parties may email their document to the address below. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

DATED at Toronto, March 17, 2011

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

Appendix A

To Decision and Order

Draft Tariff of Rates and Charges

Board File No: EB-2010-0078

DATED: March 17, 2011

Enersource Hydro Mississauga Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2010-0078

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to all residential services including, without limitation, single family or single unit dwellings, multi-family dwellings, row-type dwellings and subdivision developments. Energy is supplied in single phase, 3-wire, or three phase, 4-wire, having a nominal voltage of 120/240 Volts. There shall be only one delivery point to a dwelling. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES – Electricity Component

Rate Rider for Global Adjustment Sub-Account Disposition – effective until January 31, 2012 Applicable only for Non-RPP Customers	\$/kWh	0.0039
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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	11.77
Smart Meter Funding Adder – effective until April 30, 2012	\$	2.12
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	\$	0.19
Distribution Volumetric Rate	\$/kWh	0.0118
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until January 31, 2012	\$/kWh	(0.0018)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery – effective until April 30, 2012	\$/kWh	0.0003
Rate Rider for Tax Changes – effective until April 30, 2012	\$/kWh	(0.0003)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0066
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0054

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Enersource Hydro Mississauga Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2010-0078

GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION

This classification refers to a non-residential account whose monthly average peak demand is less than, or is forecast to be less than, 50 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES – Electricity Component

Rate Rider for Global Adjustment Sub-Account Disposition – effective until January 31, 2012		
Applicable only for Non-RPP Customers	\$/kWh	0.0039

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge		\$ 39.58
Smart Meter Funding Adder – effective until April 30, 2012	\$	2.12
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	\$	0.13
Distribution Volumetric Rate	\$/kWh	0.0115
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until January 31, 2012	\$/kWh	(0.0018)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery – effective until April 30, 2012	\$/kWh	0.0002
Rate Rider for Tax Changes – effective until April 30, 2012	\$/kWh	(0.0003)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0061
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0050

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Enersource Hydro Mississauga Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2010-0078

SMALL COMMERCIAL AND UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is either metered or unmetered. While this customer class includes existing metered customers, metered customers are no longer added to this customer class. The amount of electricity consumed by unmetered connections will be based on detailed information/documentation provided by the device's manufacturer and will be agreed to by Enersource Hydro Mississauga Inc. and the customer and may be subject to periodic monitoring of actual consumption. Eligible unmetered loads include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES – Electricity Component

Rate Rider for Global Adjustment Sub-Account Disposition – effective until January 31, 2012 Applicable only for Non-RPP Customers	\$/kWh	0.0039
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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge for metered account	\$	10.60
Smart Meter Funding Adder for metered account – effective until April 30, 2012	\$	2.12
Service Charge for Unmetered Scattered Load account (per connection)	\$	10.60
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	\$	0.67
Distribution Volumetric Rate	\$/kWh	0.0193
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until January 31, 2012	\$/kWh	(0.0018)
Rate Rider for Tax Changes – effective until April 30, 2012	\$/kWh	(0.0006)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0061
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0050

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Enersource Hydro Mississauga Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2010-0078

GENERAL SERVICE 50 to 499 kW SERVICE CLASSIFICATION

This classification refers to a non-residential account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 500 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES – Electricity Component

Rate Rider for Global Adjustment Sub-Account Disposition – effective until January 31, 2012		
Applicable only for Non-RPP Customers	\$/kWh	0.0039

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	69.25
Smart Meter Funding Adder – effective until April 30, 2012	\$	2.12
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	\$	5.28
Distribution Volumetric Rate	\$/kW	4.1677
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until January 31, 2012	\$/kW	(0.6480)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery – effective until April 30, 2012	\$/kW	0.0081
Rate Rider for Tax Changes – effective until April 30, 2012	\$/kW	(0.0516)
Retail Transmission Rate – Network Service Rate	\$/kW	2.3607
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.9372
Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.3607
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	1.9372

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Enersource Hydro Mississauga Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2010-0078

GENERAL SERVICE 500 to 4,999 kW SERVICE CLASSIFICATION

This classification refers to a non-residential account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 500 kW but less than 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES – Electricity Component

Rate Rider for Global Adjustment Sub-Account Disposition – effective until January 31, 2012 Applicable only for Non-RPP Customers	\$/kWh	0.0039
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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	1,524.85
Smart Meter Funding Adder – effective until April 30, 2012	\$	2.12
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	\$	26.79
Distribution Volumetric Rate	\$/kW	2.0798
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until January 31, 2012	\$/kW	(0.8093)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery – effective until April 30, 2012	\$/kW	0.0085
Rate Rider for Tax Changes – effective until April 30, 2012	\$/kW	(0.0408)
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.2839
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	1.8956

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Enersource Hydro Mississauga Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

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EB-2010-0078

LARGE USE SERVICE CLASSIFICATION

This classification refers to an account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES – Electricity Component

Rate Rider for Global Adjustment Sub-Account Disposition – effective until January 31, 2012 Applicable only for Non-RPP Customers	\$/kWh	0.0039
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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	13,736.02
Smart Meter Funding Adder – effective until April 30, 2012	\$	2.12
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	\$	434.49
Distribution Volumetric Rate	\$/kW	2.8970
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until January 31, 2012	\$/kW	(0.3325)
Rate Rider for Tax Changes – effective until April 30, 2012	\$/kW	(0.0414)
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	1.7336
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	2.0245

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Enersource Hydro Mississauga Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2011

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EB-2010-0078

STANDBY DISTRIBUTION SERVICE CLASSIFICATION

This classification refers to an account that requires Enersource Hydro Mississauga to provide distribution service on a standby basis as a back-up supply to an on-site generator. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES

A Standby Service Charge will be applied for a month where standby power is not provided. The applicable rate is the approved Distribution Volumetric Rate of the applicable service class and is applied to gross metered demand or contracted amount, whichever is greater. A monthly administration charge of \$200, for simple metering arrangements, or \$500, for complex metering arrangements, will also be applied.

Enersource Hydro Mississauga Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

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EB-2010-0078

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to an account for roadway lighting. Street Lighting is unmetered where energy consumption is estimated based on the connected wattage and calculated hours of use using methods established by the Ontario Energy Board. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

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It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES – Electricity Component

Rate Rider for Global Adjustment Sub-Account Disposition – effective until January 31, 2012		
Applicable only for Non-RPP Customers	\$/kWh	0.0039

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	1.33
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	\$	0.03
Distribution Volumetric Rate	\$/kW	10.1692
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until January 31, 2012	\$/kW	(0.0525)
Rate Rider for Tax Changes – effective until April 30, 2012	\$/kW	(0.1860)
Retail Transmission Rate – Network Service Rate	\$/kW	1.5254
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.4007

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Enersource Hydro Mississauga Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2011

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EB-2010-0078

microFIT GENERATOR SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Ontario Power Authority's microFIT program and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

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It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	5.25
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Enersource Hydro Mississauga Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

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EB-2010-0078

ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.40)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

SPECIFIC SERVICE CHARGES

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

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Customer Administration

Arrears Certificate	\$	15.00
Request for other billing information	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Credit reference/credit check (plus credit agency costs – General Service)	\$	25.00
Income tax letter	\$	15.00
Returned cheque (plus bank charges)	\$	12.50
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable – Residential)	\$	20.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	10.00
Special meter reads	\$	30.00
Interval meter request change	\$	40.00

Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge – no disconnection	\$	9.00
Disconnect/Reconnect at meter - during regular hours	\$	20.00
Disconnect/Reconnect at pole - during regular hours	\$	185.00
Disconnect/Reconnect at pole - after regular hours	\$	415.00

Temporary service install and remove – overhead – no transformer	\$	400.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35

Enersource Hydro Mississauga Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

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EB-2010-0078

RETAIL SERVICE CHARGES (if applicable)

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing credit, per customer, per retailer	\$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year		no charge
More than twice a year, per request (plus incremental delivery costs)	\$	2.00

LOSS FACTORS

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0360
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0145
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0256
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0045